



**Department of Commerce**  
Innovation is in our nature.

**Welcome!**

# **Grid Modernization Phase 2 Application Workshop**

*Grant Solicitations for CEF 2 Program*

March 15, 2016

# Workshop Agenda



Overview

Application Specifics

Ask Questions  
anytime



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# Clean Energy Fund Approach

2015-2017 Capital Budget Proviso §1028



FY 13/15

Smart Grid

Loans

Federal Match

FY 15/17

Grid Modernization

Loans

R&D/D Match

Renewable  
Manuf.



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# CEF2 - Phase 1 Submission Summary

## CEF1

4 proposals for  
\$18M in CEF and  
\$40M overall

- 16 projects
- \$26.4M requested
- \$38M match



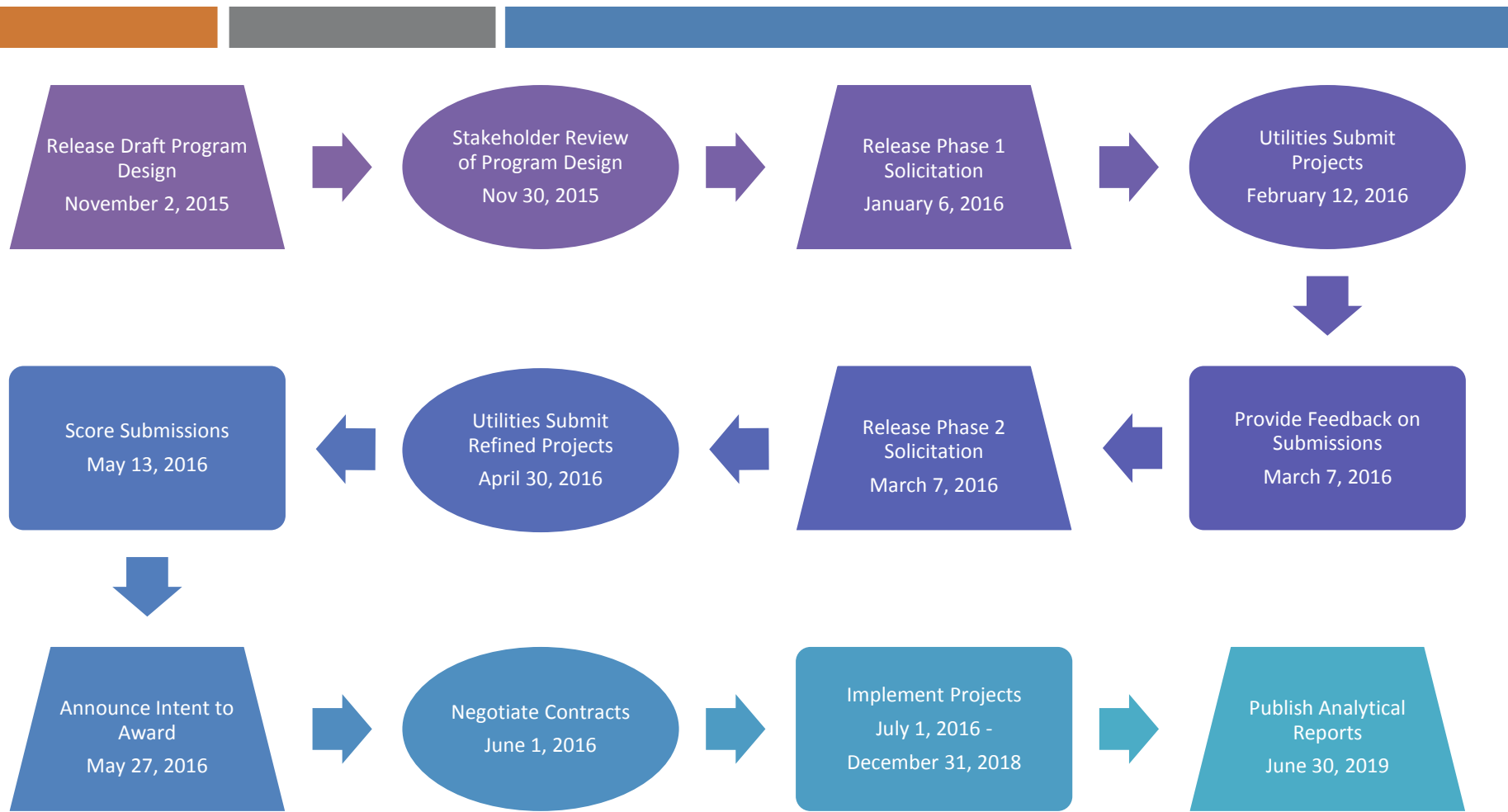
# CEF2 - Phase 2 Timeline Summary

**Awarding –  
twice the ask as  
there are funds**

- Just a week or so behind schedule
- Expert Panelists will rank projects from within each tier separately
- There are no minimum set asides for either utility tier
- Commerce will make award decisions
- The best projects will get funded



# Grid Modernization Timeline



# CEF2 - Phase 1 Observations

## Proviso intent

- Funding must be used ... projects that integrate intermittent renewables...and enable integration of distributed renewable energy
- Paraphrase - intent of the proviso is to purchase innovative technological solutions for intermittent renewable energy integration thereby creating greater grid reliability and resiliency



# CEF2 - Phase 1 Observations

**Applicant match  
must be from  
non-state  
sources  
(ZG budget  
instructions)**

- Not charged or used as match for another program
- Not originally paid from state sources
- Must be applicable to the time period stated
- Be necessary and reasonable to accomplish program objectives
- Must be allowable under the applicable cost principles
- Conform to other applicable administrative requirements
- Valuation methods must be documented



# CEF2 - Phase 1 Observations

## **Community solar as match**

Conventional or commercially available technologies such as photovoltaic panels, inverters, and balance of system typically deployed for community solar systems in Washington state, are not eligible as in-kind match due to the prior or existing use of other state financing and incentives for those programs



# CEF2 - Phase 1 Observations

## Ineligible Matches

- Conventional & Commercially available technology unless innovative application
- Electric & hybrid vehicles
- Solar PV systems, smart meters
- Buildings
- Land



# CEF2 - Phase 1 Observations

## Budget Tab Prevailing Wage

- The Contractor certifies that all contractors and subcontractors performing work on the Project shall comply with state Prevailing Wages on Public Works, Chapter 39.12 RCW, as applicable to the Project funded by this contract, including but not limited to the filing of the “Statement of Intent to Pay Prevailing Wages” and “Affidavit of Wages Paid” as required by RCW 39.12.040.



# CEF2 - Phase 1 Observations

## Budget Tab Prevailing Wage continued

- The Contractor shall maintain records sufficient to evidence compliance with Chapter 39.12 RCW, and shall make such records available for COMMERCE's review upon request.
- For construction project laborers / workers
- This may raise your estimates within the budget categories



# Zoom Grants Library Materials

## Restrictions [\[hide this\]](#)

All COMMERCE CEF 2 expenditures must be used for projects that develop and acquire asset(s) that have a useful life of at least thirteen years. Funding must be used for research, development, or demonstration projects that integrate intermittent renewables through energy storage, information technology or other smart grid technologies, dispatch energy storage resources from utility control rooms, use demand response, transactive control, or the thermal properties and electric load of commercial buildings and district energy systems to store energy, reduce transmission congestion or otherwise improve system reliability and resiliency and enable integration of distributed and renewable energy sources.

COMMERCE requires applicants to use non-state sources of funding as match. For example, project components not purchased with state production incentives, consumer purchased shares of community green power programs, state sales tax exemptions, etc. In-kind match must:

- Be verifiable from the records (e.g. documented with receipts, time records, etc.)
- Not charged or used as match for another program
- Not originally paid from state sources
- Must be applicable to the time period stated
- Be necessary and reasonable to accomplish program objectives
- Must be allowable under the applicable cost principles
- Conform to other applicable administrative requirements
- Valuation methods must be documented

## Library [\[hide this\]](#)

[Proviso](#)

[Program Design](#)

[Application Guidance](#)

[Certification of Organization Official](#)

[Survey - Ease of Application](#)



# Zoom Grants Phase 2

Applicant View

Application Status: Not Submitted

You must be logged in to begin.

Phase 1 (White Paper/Concept) Contact Info Phase 1 (White Paper/Concept) Pre-Application Phase 2 (Full Proposal) Application

Phase 2 Budget Phase 2 Scope of Work Phase 2 Attachments Activity Log

Your Phase 1 (White Paper/Concept) Pre-Application must be submitted AND approved before continuing.

**Phase 2 (Full Proposal) Application** *(answers are saved automatically when you move to another field)*

**Instructions** [Show/Hide](#)

Applicants may only submit one project during Phase 2. It must be one of the projects submitted during Phase 1.

Applicants must include as part of their application an explanation of the business case for their project including the market potential for expected project outcomes. Inclusion of a business case and an analysis of the market potential for the technology will be required in order to focus on technologies that have the greatest near-term potential to become commercially economic and therefore spur growth of the clean energy sector in Washington.

For purposes of the CEF 2 Electric Utility Grant Program, the "Washington clean energy sector" means industries and businesses located within Washington State providing goods and services to produce or use energy in a manner that benefits the environment or conserves resources. This includes, but is not limited to, renewable energy, energy efficiency, energy storage and those technologies that enable or contribute to increased market penetration of renewable energy, energy efficiency and other associated clean energy technologies.

Any contract awarded as a result of this application process is contingent upon the availability of funding. COMMERCE may reject any application not in compliance with all prescribed procedures and requirements. COMMERCE reserves the right to cancel this solicitation or reject for good cause and to commence a new application process at any time upon a finding by COMMERCE that it is in the public interest to do so. Applications and all supporting materials submitted for funding under the CEF 2 Electric Utility Grant Program shall become the property of COMMERCE. All applications and supporting material received shall remain confidential until contracts are fully executed.



# Zoom Grants Phase 2

The screenshot shows a web browser window with the URL <https://www.zoomgrants.com>. The browser's address bar and tabs show various open pages, including 'CEF 2 - All Documents', 'Program Setup', and 'Application Form - PREVIEW'. A yellow warning banner at the top states: 'accepted in lieu of responding to the question in the space provided. PowerPoint presentations or videos are not allowed to be uploaded as documents.' The form itself is titled 'Application Form - PREVIEW' and contains three numbered sections for project information. Each section has a large text input area and a character count at the bottom.

accepted in lieu of responding to the question in the space provided. PowerPoint presentations or videos are not allowed to be uploaded as documents.

**1. Provide an overview of the project summarizing key milestones and innovative qualities**

Maximum characters: 15000. You have 15000 characters left.

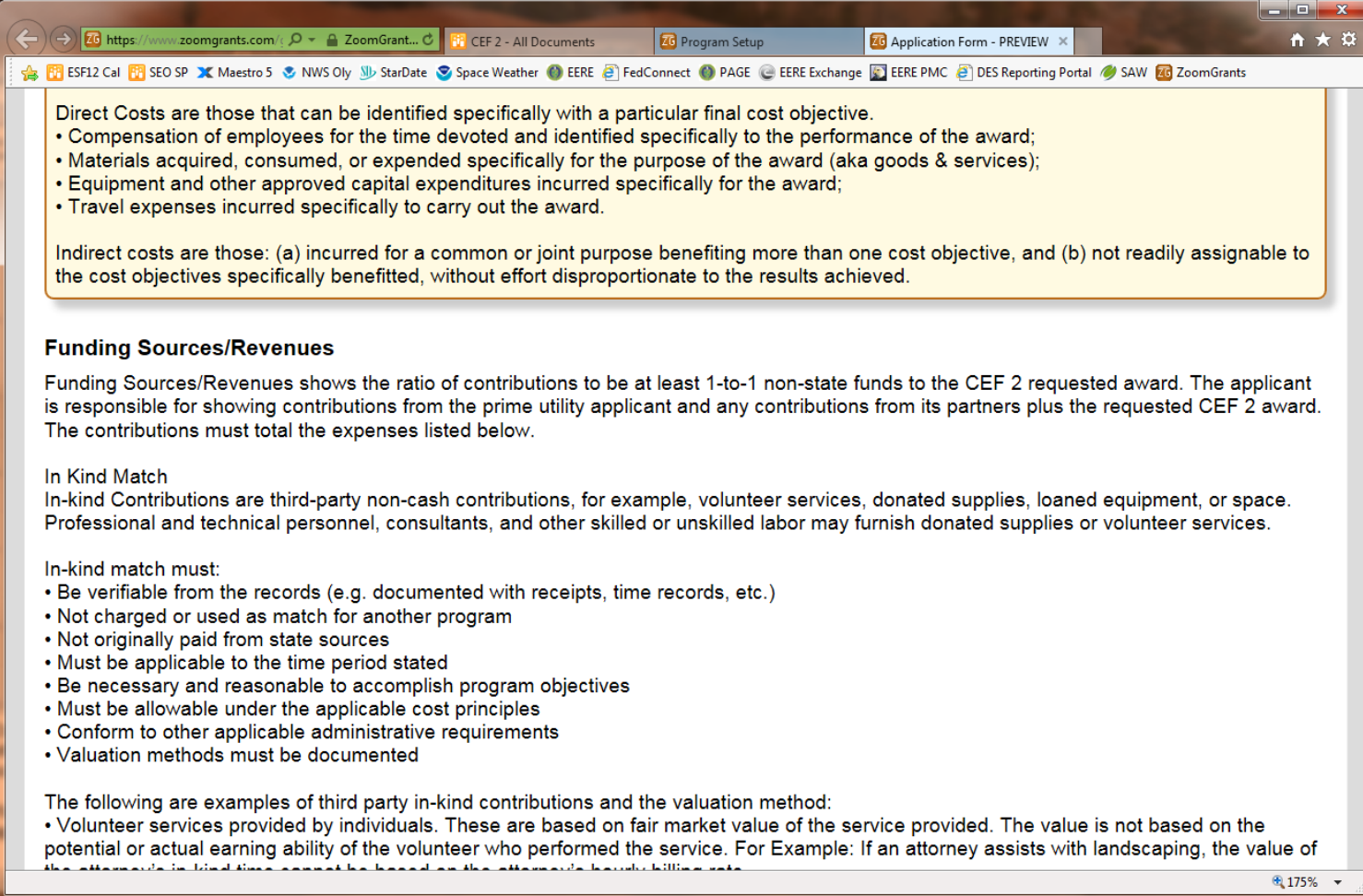
**2. Provide a detailed description of the innovation components to the project**  
*Scoring criteria includes Project's Innovation, Project Management, and Business Case*

Maximum characters: 15000. You have 15000 characters left.

**3. Provide a detailed description of the project team, and their experience completing similar projects in the past,**



# Zoom Grants Budget Instructions 1



The screenshot shows a web browser window with the URL <https://www.zoomgrants.com>. The browser has several tabs open: "CEF 2 - All Documents", "Program Setup", and "Application Form - PREVIEW". The address bar shows various bookmarks including "ESF12 Cal", "SEO SP", "Maestro 5", "NWS Oly", "StarDate", "Space Weather", "EERE", "FedConnect", "PAGE", "EERE Exchange", "EERE PMC", "DES Reporting Portal", "SAW", and "ZoomGrants".

**Direct Costs** are those that can be identified specifically with a particular final cost objective.

- Compensation of employees for the time devoted and identified specifically to the performance of the award;
- Materials acquired, consumed, or expended specifically for the purpose of the award (aka goods & services);
- Equipment and other approved capital expenditures incurred specifically for the award;
- Travel expenses incurred specifically to carry out the award.

**Indirect costs** are those: (a) incurred for a common or joint purpose benefiting more than one cost objective, and (b) not readily assignable to the cost objectives specifically benefitted, without effort disproportionate to the results achieved.

**Funding Sources/Revenues**

Funding Sources/Revenues shows the ratio of contributions to be at least 1-to-1 non-state funds to the CEF 2 requested award. The applicant is responsible for showing contributions from the prime utility applicant and any contributions from its partners plus the requested CEF 2 award. The contributions must total the expenses listed below.

**In Kind Match**

In-kind Contributions are third-party non-cash contributions, for example, volunteer services, donated supplies, loaned equipment, or space. Professional and technical personnel, consultants, and other skilled or unskilled labor may furnish donated supplies or volunteer services.

**In-kind match must:**

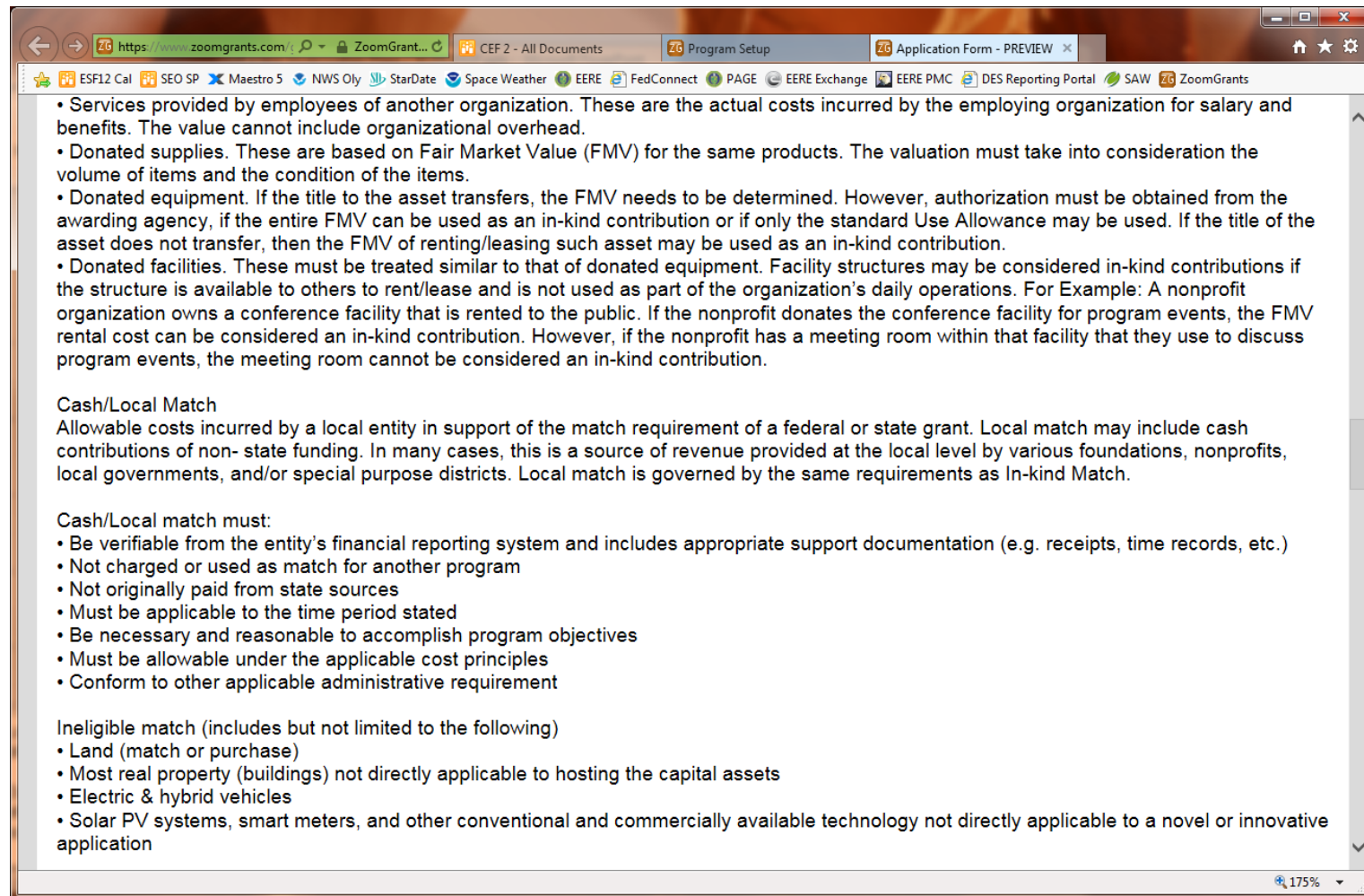
- Be verifiable from the records (e.g. documented with receipts, time records, etc.)
- Not charged or used as match for another program
- Not originally paid from state sources
- Must be applicable to the time period stated
- Be necessary and reasonable to accomplish program objectives
- Must be allowable under the applicable cost principles
- Conform to other applicable administrative requirements
- Valuation methods must be documented

The following are examples of third party in-kind contributions and the valuation method:

- Volunteer services provided by individuals. These are based on fair market value of the service provided. The value is not based on the potential or actual earning ability of the volunteer who performed the service. For Example: If an attorney assists with landscaping, the value of the attorney's in-kind time cannot be based on the attorney's hourly billing rate.



# Zoom Grants Budget Instructions 2



• Services provided by employees of another organization. These are the actual costs incurred by the employing organization for salary and benefits. The value cannot include organizational overhead.

• Donated supplies. These are based on Fair Market Value (FMV) for the same products. The valuation must take into consideration the volume of items and the condition of the items.

• Donated equipment. If the title to the asset transfers, the FMV needs to be determined. However, authorization must be obtained from the awarding agency, if the entire FMV can be used as an in-kind contribution or if only the standard Use Allowance may be used. If the title of the asset does not transfer, then the FMV of renting/leasing such asset may be used as an in-kind contribution.

• Donated facilities. These must be treated similar to that of donated equipment. Facility structures may be considered in-kind contributions if the structure is available to others to rent/lease and is not used as part of the organization's daily operations. For Example: A nonprofit organization owns a conference facility that is rented to the public. If the nonprofit donates the conference facility for program events, the FMV rental cost can be considered an in-kind contribution. However, if the nonprofit has a meeting room within that facility that they use to discuss program events, the meeting room cannot be considered an in-kind contribution.

**Cash/Local Match**  
Allowable costs incurred by a local entity in support of the match requirement of a federal or state grant. Local match may include cash contributions of non- state funding. In many cases, this is a source of revenue provided at the local level by various foundations, nonprofits, local governments, and/or special purpose districts. Local match is governed by the same requirements as In-kind Match.

**Cash/Local match must:**

- Be verifiable from the entity's financial reporting system and includes appropriate support documentation (e.g. receipts, time records, etc.)
- Not charged or used as match for another program
- Not originally paid from state sources
- Must be applicable to the time period stated
- Be necessary and reasonable to accomplish program objectives
- Must be allowable under the applicable cost principles
- Conform to other applicable administrative requirement

**Ineligible match (includes but not limited to the following)**

- Land (match or purchase)
- Most real property (buildings) not directly applicable to hosting the capital assets
- Electric & hybrid vehicles
- Solar PV systems, smart meters, and other conventional and commercially available technology not directly applicable to a novel or innovative application



# Zoom Grants Scope of Work

First column has MILESTONE numbers and their titles, second column has costs to complete each MILESTONE, third column has start date for each MILESTONE, and fourth column has end date for MILESTONE. This will create a scope of work overview. The applicant is responsible for creating and executing the tasks associated with each MILESTONE. The column data fields should appear as you complete data entries within the row.

Example MILESTONES are provided but the line items/rows are editable should the applicant need to customize them for their project.

Scope of Work Milestone Number and Title	Costs to Complete	Start Date	End Date
1 Pre-award and Contracting	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>
2 Engineering Design	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>
3 Permitting and Studies	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>
4 Procurement and Manufac	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>
5 Construction and Installati	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>
6 Systems Integration, Com	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>
7 Analytics	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>
8 Monitoring and Closeout	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>
9	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>
10	\$ <input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Total</b>	<b>\$ 0</b>	<b>0</b>	<b>0</b>

Previous Next



# Zoom Grants Attachments

Please limit additional materials submitted to the minimum amount necessary to directly support your application.

Upload the following:

- 1) Statement of Need (required) - Applicants must provide a signed statement certifying "but for" the CEF 2 Utility Program funding, the project would not proceed at the scale or schedule proposed in the application.
- 2) Sponsor letters of match commitment (required)
- 3) Commerce Survey (required)
- 4) Technology documentation (manufacturer / sales brochures) (optional)
- 5) Any utility or partner fiscal or performance audit finding(s) in the past two years (only if there are findings)
- 6) Other (graphics, project team partner diagram, organizational charts, biographies, etc.)

The Documentation category was intended for pre-application phase 1 concept uploads.

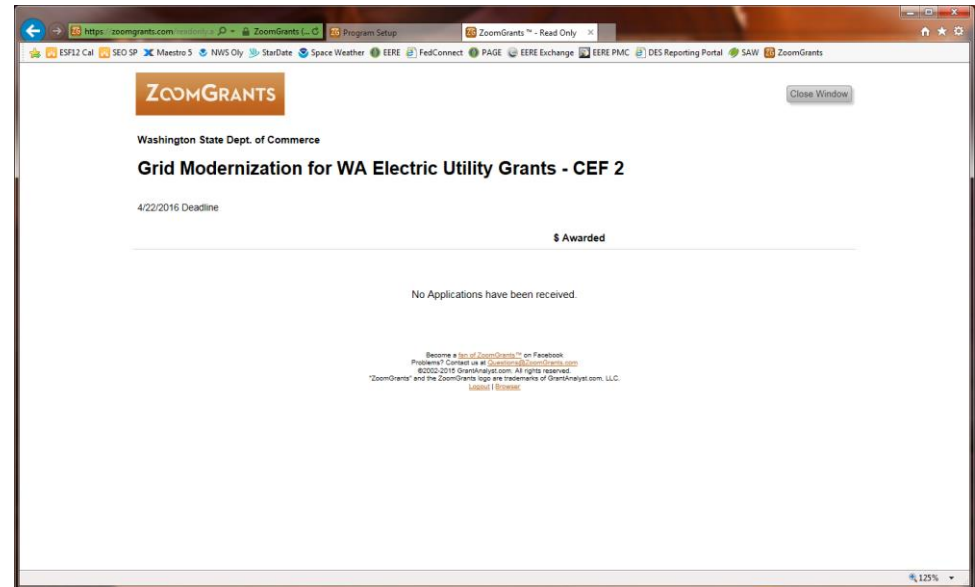
Documents Requested *	Required?	Uploaded Documents *
Statement of Need for Funding	Required	-none- Upload
Sponsor letters of match commitment	Required	-none- Upload
Technology documentation		-none- Upload
Fiscal or performance audit finding(s)		-none- Upload
Other		-none- Upload
Commerce Survey (Last step before submitting) - Download Template, fill out, upload completed survey here, then submit your application. <a href="#">Download template: Commerce Survey</a>	Required	-none- Upload



# Phone & Chat Room Questions



# Zoom Grants Tour



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## For more information

Carolee Sharp  
State Energy Office  
[Carolee.sharp@commerce.wa.gov](mailto:Carolee.sharp@commerce.wa.gov)  
360-725-3118

Phase 2 submission deadline 30 April

March 15, 2016